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GOVERNOR CANDIDATES and COUNTIES



BOB BROWN
Republican

What are your plans to coordinate with local governments?

We would encourage Department Directors to coordinate service delivery with local governments. We will consider allocating a portion of a governor's policy advisor position to local government coordination activities.

Do you support a local option tax?

With certain restrictions (public vote, limited duration, and property tax relief), we would consider supporting a local option tax.

Do you support full funding of the local government entitlement program?

We will continue the level of local government funding in the current biennium state budget. And we would certainly rank the inflation adjustment as a high priority in our budget deliberations. However, with the school-funding lawsuit and an unclear revenue picture, we cannot in good faith indicate that we can fund the inflationary adjustment.

(Full text is available on MACo Website.)



BRIAN SCHWEITZER
Democrat

What are your plans to coordinate with local governments?

My administration would make it a top priority to maintain good working relationships with all 56 county governments. I would also support dedicating a staff member in the Governor's office to help coordinate policy between the state and local governments.

Do you support a local option tax?

I don't think local option taxes should be implemented without a vote. Furthermore, local options should be subject to periodic review by the voters and have fixed limits.

Do you support full funding of the local government entitlement program?

The entitlement program was meant to be revenue-neutral – in return for placing fees, revenues, specialty taxes, etc. directly in the state General Fund, local governments are to receive an amount back equal to what they gave up, plus a growth factor. I believe that a promise made should be a promise kept.

(Full text is available on MACo Website)



STAN JONES, Libertarian, proposes a comprehensive retail sales tax to replace all other taxes except user fees. Each county would add a local option tax to the statewide sales tax to cover services. In every government level, the voters would approve any future sales tax increases.

FOLLOW THE MONEY

The Institute on Money in State Politics (IMSP) is a national nonpartisan, nonprofit organization that collects and analyzes the campaign-finance reports filed by all candidates for state office, legislative district and state Supreme Court in all 50 states. The Institute, based in Helena, Montana, also collects the reports filed with the states by the major political party committees.

The Institute's mission is unique, and its data and research studies are used by the nation's most prestigious newspapers and universities. Last year, over 13 million visitor hits were counted in the traffic at the Web site

www.followthemoney.org.

The Institute's database is complete back to 2000 for all 50 states and back to 1990 for Montana. Its 2004 database will include all reports filed by about 16,000 candidates and 235 party committees. The Montana State-At-A-Glance page at www.followthemoney.org provides an analysis of the state's top contributors and the money given by each economic sector for each election cycle.

The Institute makes summary data and reports freely available to the public. A Web user can go on-line (www.followthemoney.org) and look up any single contributor to see his/her donations to every state candidate in the country--or look up a candidate and identify the economic interests supporting his/her election.

Web users can build custom queries to search the database over a period of several election cycles or across state lines or both. To help the public understand how contributors wield influence on elected officials, the Institute also publishes research studies and makes them freely available through the Web site.

In 2003, the RAND Corp., a research and analysis institution, provided its endorsement of the Institute:

"Overall, IMSP is a professional, well-managed institution that can be proud of its processes and people and of the valuable research data and products they make available to the world in a useful form. We believe other parties can rely on both the integrity and validity of those research data, given the origin of the raw data within disparate states' processes."

MARK YOUR CALENDAR

October 16	Rural Advisory Councils; Missoula
October 19-20	Conflict Resolution Workshop; MACo
October 29	Council of County Officials; MACo; 10:00

UPCOMING EVENTS

November 2	Election Day
November 11	Veterans Day Holiday
November 18-19	JPA / JPIA Joint Retreat; Ennis
November 25	Thanksgiving Day Holiday
November 30	Land Use Workshop, Glasgow
December 2	Cooperating Agency Seminar; Miles City
December 6	MACo Board; Helena; 8:30 am
December 6-8	Commissioner Orientation/Certification
December 16-17	Study Commission Training / Conference
December 24	Christmas Day Holiday (day before 25th)

WASTE MANAGEMENT PLAN

The Integrated Waste Management Plan (IWMP)
Revision is available at

<http://www.deq.state.mt.us/pubcom.asp>

The public hearings are to be:

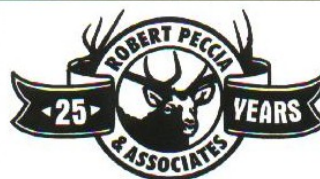
Monday, October 25th, 7:00 - 8:30 pm
Missoula Public Library
301 East Main Street

Tuesday, October 26th, 7:00 - 8:30 pm
Great Falls College of Technology
2100 16th Avenue South

Monday, November 8th, 7:00 - 8:30 pm
Billings Public Library
510 North 28th Street

Comments on the revisions may also be submitted to IWMP@state.mt.us or 406-841-5253 or 406-841-5250.

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Montana Board of Investments, Helena
Montana Board of Housing, Helena
MCA Concrete Division, Helena
MT Department of Commerce--TSEP, Helena
MT Geographic Information Professionals, Helena
MT Local Government Energy Office & DEQ, Helena
Morrison-Maierle, Inc., Helena
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Stillwater County GIS
US Bank, Helena



MACo goes high-tech
US Senator Conrad Burns telecast

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REVENUE SOURCES AND COUNTY GOVERNMENT BUDGETS

"Counties in Crisis, A survey of Current Budgetary Situations Facing America's Counties" by Richard L. Clark for NACo

Over 72% of American counties are facing budget shortfalls. 56% of all counties are facing reductions in state funding for state-mandated services. 37% of the counties facing state reductions will reduce services and 17% will increase taxes or fees.

Over half of the counties responded they would increase either local option sales taxes or property taxes. More and more counties are considering special purpose sales taxes.

Counties indicated that road construction / maintenance and public health / human services are most likely to suffer decreases in funding, with law enforcement or infrastructure maintenance being the next areas subject to decreases.

"Governments seeing red" by Daniel Wood, Christian Science Monitor

In **California**, a 67-member panel of appointees from across the political spectrum looked into every aspect of state and local governments. Five year's worth of new programs and funding are on hold... In **Oregon**, triple the necessary signatures were gathered to overthrow a legislative tax surcharge designed to close the budget gap. Much of the State's income is already spoken for because of the constraints created by a slew of ballot measures in recent years. ... **Iowa** recently called for a 2.5% cut across all governments, and then exempted those service which make up most of the budgets--human services and corrections. "People are telling us you have to run government more like a business, but when business revenue goes down, you can decrease your production or service. In government, when times are bad, everyone needs government services more."

"Going for Broke" by John E. Petersen Governing Magazine, Vol. 17, No. 2

California's Proposition 13 in 1978 led to a severe limitation on property tax and...sparked a firestorm of initiatives, many directed at limitations on taxes and spending, while often imposing new programs that required funding.

"Who Pays? A Distributional Analysis of the Tax Systems in All 50 States" Second Edition, January 2003

Montana tax burden for a middle income group (\$22,000-\$35,000) is 7%, of which half (3.5%) is for property taxes. The national average is a total tax burden of 9.9%, with property taxes being 2.5%.

"Judgment Day--Local governments take state budget cuts to court" by Alan Greenblatt

Government Magazine, Vol. 16, No. 7

The Missouri Association of Counties, the Kansas Association of Counties and 100 North Carolina local government units filed suits after their legislatures cut funding to local governments.

Montana Tax Reform Study Committee Meeting 1, September 2003

The "Tax Reform Study Committee" finds that all states average about 2% of the total tax collections from property taxes (88% of tax collections come from sales taxes and income taxes.). In Montana 13% of the total tax collections come from property tax. (66% comes from selective sales taxes and income taxes.).

"States' Budgets Are Still Reeling" by John Broder, New York Times

Sales taxes rose in 17 states, while 10 states increased income taxes... Widespread opposition to tax increases prompted officials to call tax raises "user fees". **Alaska** raised fees on rental cars. **Arkansas** imposed a 3% tax on beer and doubled to \$150 the fee to reinstate drivers licenses revoked for drunken driving. **Georgia** tripled its cigarette tax. **Ohio** raised the elevator inspection fee. **Texas** is placing toll-booths on state highways, raising college tuitions and imposing a \$1,000 surcharge on drunken driving convictions. **Massachusetts** raised the marriage license fee from \$4 to \$50. **New Jersey** raised the divorce filing fee from \$200 to \$250. **Oregon** placed new taxes on tobacco and businesses. **Alabama** has released 5,000 nonviolent offenders from prisons early; state troopers have gone to a four-day week; schools cannot afford to buy new textbooks and computers.

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READYING FOR THE LEGISLATURE

These senators are not required to run for election this year. They are available to begin work on proposals for next legislative session. Please contact them to ask for sponsorship of MACo legislative proposals. Then relay the information of your successful contact to the MACo office.

<u>SENATOR</u>	<u>COUNTY</u>
Sherman Anderson	Powell
Keith Bales	Powder River, Fallon, Dawson and Carter
Greg Barkus	Flathead
Jerry Black	Toole and Teton
Mike Cooney	Lewis and Clark
Brent Cromley	Yellowstone
Aubyn Curtiss	Lincoln
Jon Ellingson	Missoula
John Esp	Park
Kelly Gebhardt	Musselshell, Wheatland, Golden Valley, Treasure
Duane Grimes	Jefferson, Meagher and Broadwater
Ken Hansen	Blaine and Hill
Bob Keenan	Flathead
Rick Laible	Ravalli
Jeff Mangan	Cascade
Dan McGee	Yellowstone
Gary Perry	Gallatin
Glenn Roush	Glacier
Trudi Schmidt	Cascade
Carolyn Squires	Missoula
Bob Story	Carbon and Stillwater
Jon Tester	Chouteau, Liberty and Hill
Joe Tropila	Cascade
Mike Wheat	Gallatin

The Interim Education and Local Government Committee previewed local government proposed legislation at its final meeting.

Taxation issues, specifically a local option tax, headed the lists for both the Montana Association of Counties and the League of Cities and Towns.

MACo would also like to see a statewide general sales tax and a revision to the local option gas tax to be collected at the pump, not by the distributor. MACo wants to maintain state funding for one-half the annual salary for county attorneys. Counties are also supporting a state-funded and -administered public defender system, providing local mental health services through the existing community mental health centers, additional funding for regional juvenile detention centers and continued full-funding of the entitlement program.

The League of Cities and Towns bases its legislative agenda on the premise that local voters should decide local issues, such as a local option tax. Land use regulation (annexation, impact fees, etc.) will again be important. Tax increment financing is one of the most effective economic development tools available to cities and towns, so the League would like the current law amended to remove the sunset provision. The League will again urge the legislature to implement the Main Street Program, which is operated by the National Trust for Historic Preservation and is aimed at preserving historic downtowns. It would cost about \$100,000 a year to establish the program in Montana.

From "The Interim" Newsletter of Legislative Branch, October 2004

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Gordon E. Hoven

Montana Public Finance

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COUNTY COMMISSIONER CANDIDATES

* = Incumbent R = Republican D = Democrat NP = Non-partisan I = Independent C = Constitution

<p>Anaconda-Deer Lodge * #1 Paul Beausoliel NP Russell Bilodeau NP #2 Frank Knadler NP Peter Kurtz NP #3 Joseph Wyant NP Linda Sather NP</p> <p>Beaverhead * Michael McGinley R Mike Klakken I</p> <p>Big Horn * John T. Doyle NP</p> <p>Blaine * Don Swenson D</p> <p>Broadwater * Steve McCullough NP Jack Sangray NP</p> <p>Butte-Silver Bow #3 Jim Fay NP Bill Willman NP * #4 John Sorch NP Bob Kocker NP * #5 Charlie O'Leary NP Robert Conklin NP #6 Chuck Krause NP Wally Frasz NP #7 Dave Coleman NP Will Steyh NP * #12 Michael Mulcahy NP</p> <p>Carbon * David Davidson NP Renee Shanks NP</p> <p>Carter Bill Loehding R</p> <p>Cascade Charla Merja D Joe Briggs R</p> <p>Chouteau * Ken Evans R</p> <p>Custer * Janet Kelly NP Jack Nesbit NP</p> <p>Daniels Norman Rudd D</p> <p>Dawson Tim Zody R Adam Gartner D</p> <p>Fallon * Roddy Rost D Dennis Afrank R</p> <p>Fergus * Vernon Petersen NP John Jensen NP</p>	<p>Flathead Denise Cofer R Joe Brenneman D</p> <p>Gallatin Joe Skinner R Jarvis Brown D</p> <p>Garfield Jerry Coldwell R</p> <p>Glacier * William Icenoggle R Michael DesRosier D</p> <p>Golden Valley Leslie Burroughs R</p> <p>Granite Suzanne Browning R</p> <p>Hill Mike Anderson D Jody Manuel R Wyatt Dahlin I</p> <p>Jefferson * Sherry Cargill NP Keneth Weber NP</p> <p>Judith Basin Tucker Hughes R Ronald Sherer D</p> <p>Lake Chuck Whitson R Dana Grant D</p> <p>Lewis and Clark * Mike Murray D</p> <p>Liberty * Russ Tempel R</p> <p>Lincoln * John Konzen D Robert Ferguson C</p> <p>Madison * David Schulz NP</p> <p>McCone Patrick Eggebrecht R Rocky Braaten D</p> <p>Meagher * Herb Townsend R</p> <p>Mineral * B. J. McComb D</p> <p>Missoula * Bill Carey D</p> <p>Musselshell Michael Kilby R</p> <p>Park * #3 Ed Schilling NP Dick Murphy NP #2 Larry Lahren NP Brant Robey NP</p>	<p>Petroleum * #2 Lee Iverson R * #3 J. Chris King R</p> <p>Phillips Leslie Robinson R Tom Boschee D</p> <p>Pondera Sandra Broesder R</p> <p>Powder River * Ray Traub R Lyman Amsden I</p> <p>Powell Ralph Mannix R</p> <p>Prairie * Bill Leach R</p> <p>Ravalli * Alan Thompson R Phyllis Bookbinder D</p> <p>Richland * Mark Rehbein R John Redman D</p> <p>Roosevelt Vickie Delger D * Ferris Toavs write-in</p> <p>Rosebud * Dan Watson D Bob Nansel R</p> <p>Sanders * Justin Gail Patton R Nancy Beech D</p> <p>Sheridan * Bill Nyby R</p> <p>Stillwater * Cliff Bare D Dennis Hoyem R</p> <p>Sweet Grass Philip Hathaway R</p> <p>Teton Pete Rasmussen R Joseph Dellwo D</p> <p>Toole * Allan Underdal R</p> <p>Treasure Marlo Moehr R</p> <p>Valley * Dave Reinhardt R Tim Potter D</p> <p>Wheatland * David Miller D</p> <p>Wibaux Leif Bakken R</p> <p>Yellowstone * Jim Reno R Laris Roberts D</p>	<p><u>COMMISSIONERS</u> <u>ENDING THEIR TERMS</u></p> <p>Anaconda-Deer Lodge Dave Beatty</p> <p>Butte-Silver Bow Joe Quilici Paul Babb Ristene Hall</p> <p>Carter Milton Markuson</p> <p>Cascade Tom Stelling</p> <p>Daniels Betty Hagfeldt</p> <p>Dawson Jim Deckert</p> <p>Flathead Howard Gipe</p> <p>Gallatin Jennifer S. Mitchell</p> <p>Garfield Brent McRae</p> <p>Golden Valley Joan Krause</p> <p>Granite Earl Martin</p> <p>Hill Patrick Conway</p> <p>Judith Basin Richard Cervenka</p> <p>Lake David Stipe</p> <p>McCone Robert Kluth</p> <p>Musselshell Bryan Adolph</p> <p>Park Edmond Carrell</p> <p>Phillips Carol Kienenberger</p> <p>Pondera Sam Harris</p> <p>Powell Tom Hatch</p> <p>Sweet Grass Tom Hammersmark</p> <p>Teton Mary Sexton</p> <p>Treasure Roger Knapp</p> <p>Wibaux Tom Nelson</p>
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COUNTY NEWS

COUNTY OFFICIALS CHANGE

FLATHEAD COUNTY appointed Myrt Webb as interim county administrator. He will serve on a part-time basis until the position is filled permanently.

MUSSELSHELL COUNTY voters recalled Sheriff Martin Malone by a vote of 1,091 to 550. According to MACo Executive Director Gordon Morris, this may be the first time in Montana history that an elected sheriff has been recalled.

FLATHEAD COUNTY appointed Adele Krantz as the new County Treasurer, following Patty Arnold's resignation because she moved to the State of Washington. Krantz will run for the office in 2006.

TREASURE COUNTY appointed Robert Reidel as Acting Sheriff, following DeWayne Bate's resignation. Reidel has filed as a write-in candidate for the position, which has two other candidates in the running.

(Editor note: Eight county sheriffs have resigned in the past few months--Anaconda-Deer Lodge, Cascade, Glacier, Mineral, Musselshell, Petroleum, Pondera, and Treasure.)

ROADS

SWEET GRASS COUNTY Road Advisory Committee reported in depth on observations and suggestions for county roads. The County Commission then asked for priority ranking of construction and rebuilding projects.

LEWIS and CLARK COUNTY surveyed residents of the unincorporated town of Lincoln to determine support for a rural improvement district for street / road maintenance. The survey also included choices for types of street surfaces.

FEE INCREASES

GALLATIN COUNTY will decrease per-ton fees for solid waste as a result of recent management shifts

from a private contract to county operation. **LAKE COUNTY** approved a 30% fee increase to cover costs of hauling waste from the new transfer station to a landfill in Missoula County. **SANDERS COUNTY** is proposing increases for non-typical items and is under criticism for competing with private business.

POWDER RIVER COUNTY accepted petitions to implement a \$.50 fee per head of cattle older than 9 months. Funds will be used for predatory animal control.

RAVALLI COUNTY has raised a variety of fees for subdivision reviews by the road department and the planning department. The Sheriff department also raised copying fees and the fee for serving papers.

FLATHEAD COUNTY is trying to charge a \$10,000 fee for a volunteer citizen group which created a general land-use plan for their neighborhood. The plan was considered an amendment and subject to per-acre fee.

FISCAL BALLOT PROPOSALS

GALLATIN COUNTY will vote on an 11 mill levy for its 911 emergency call center--about a \$49 annual increase for a \$200,000 home.

FLATHEAD COUNTY rescinded its former approval for a \$10 million conservation bond. The County will continue to prepare special levy votes for Eagle Transit and for emergency medical services.

TETON COUNTY will vote on a permanent levy of up to 10 mills for the nursing home, with the approach that the nursing home may not need the full ten mills every year.

LAKE COUNTY will vote on a 20-mill levy for the sheriff's office to raise dispatch and detention wages and to add four deputy positions.

JEFFERSON COUNTY missed the deadline for two issues slated for a November vote--weed control and an increase in vehicle licensing fee.

PARK COUNTY will vote on a 1.5 mill levy to fund Angel Line, a van service for seniors and disabled people.

DAWSON COUNTY will vote on forming a mosquito control district and levying 5 mills for costs.

VARIETY

CARBON COUNTY has completed a new personnel manual and is distributing it to all county employees. The new manual is based on the sample manual provided on the MACo website.

RAVALLI COUNTY Commission worked in a fair booth to answer questions and give copies of the new county-wide growth policy.

FALLON COUNTY will soon have a web page developed by a school computer class. At the end of the school year, the county will continue to maintain the site.

CASCADE COUNTY Commission was criticized for operating meetings which are too short--35 to 40 minutes.

HILL COUNTY has been asked to support the Little Shell Indian Tribe in its appeal for federal recognition. **CASCADE COUNTY** has agreed; **BLAINE, GLACIER AND FERGUS COUNTIES** are to be approached also.

LAKE COUNTY adopted a county-wide curfew which blends with Tribal and municipal curfews. The curfew sets 10 pm weeknights and midnight on weekends for residents under age 18.

LEWIS and CLARK COUNTY sponsored an appreciation dinner for volunteer city and county board members.

YELLOWSTONE COUNTY has been asked to develop new rules to require buildings which have previously been used as "meth labs" be noted as such on deeds, to warn prospective purchasers.



**You Can't Do an End Run
Around Fruits and Vegetables**
By Emelia McEwen
MACo Assistant Risk Manager

It's often said that a multivitamin supplement can never take the place of actual food, which has many more chemicals than just its vitamins and minerals, but is it really true? Researchers in Denmark got at the question by subjecting people either to several weeks of a multivitamin/mineral pill or several weeks of a fruit- and vegetable-containing diet that supplied 21 ounces of produce a day. (An apple weighs a little less than 5 ounces; a half cup of cooked broccoli, about 3 ounces).

After almost a month, all of the subjects had reduced levels of chemical markers in their blood for oxidation of lipids, or fats. That's a plus --- less lipid oxidation is believed to be potentially important for prevention of atherosclerosis. The difference between the two groups, according to those blood markers, was that the slowdown in lipid oxidation was even greater among the fruit and vegetable eaters. The produce eaters also had other blood marker indications of greater protection against oxidative damage.

In Denmark, incidentally, there's a 6-a-day campaign to get people to eat more fruits and vegetables. In the US we have a 5-a-day program. It should be noted that the US dietary Guidelines suggest five servings of produce as a minimum.



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JULY / AUGUST DISTRICT MEETINGS



DISTRICTS 1, 2, and 3



DISTRICTS 4
and 5



DISTRICTS 6 and 7



DISTRICTS 8, 9, and 12

DRILLING FOR GAS ON THE FRONT TETON COUNTY PERSPECTIVES (Page 1 of 3)

In the first part of October, BLM announced its decision to halt further work on proposed gas wells in order to do a thorough study on the entire Rocky Mountain Front. An array of conservation easements, trades, and/or buyouts of existing leases are anticipated. The following articles were written before the decision was announced.

Letter to the Editor of Fairfield Sun Times
**County Commissioner
Gives Reasons for Exploration**

by Arnold Gettel
Teton County Commissioner

I would hope that the BLM would grant Startech permission to explore the possibility of finding and producing oil and gas on their site in Teton County for the following reasons:

1. Montana is a resource state and since the 1980's resource development has been shut down. The economy of the state has gone from one of the best to one of the worst, while our neighbor to the south has done very well, having a huge budget surplus from resource production.
2. The opponents of drilling say that it will impact wild life negatively. I would say that if that be the case, why is it that all wild life numbers have increased and they are not averse to living near populated area. Our snow plow operator returned from plowing the Teton Canyon Road and reported the sighting of deer, elk and bears near the road. I believe that a 160 acre subdivision in the canyon has more impact on wildlife. We should not allow dwelling west of Highway 89.
3. The opponents say that this is a pristine area but I beg to differ in that the front has been drilled and roads constructed along this area.
4. The opponents are of the opinion that the amount of oil and gas that can be recovered will have little effect on the overall consumption of the US, but it will take from 10 to 20 years to produce from these wells. Meanwhile Teton County and the State of Montana will realize and increase in severance taxes that will be used for schools and infrastructure.
5. The area that will be impacted will be insignifi-

cant compared with the total area of the Front. Four acres out of 22,400 acres is a very minute percentage of this area. The old wells in this area are hard to find if you don't know where to look and they were drilled at a time when the environment was not much of a concern.

6. Let's settle this once and for all by finding out if there is enough oil and gas to warrant any more drilling.
7. I would not favor buying up Startech's leases as that would negate any chance of Teton County, Town of Choteau or the State of Montana realizing any tax or economic benefit from drilling.
8. The abuse of county roads seems to be an issue, but consider this. The Collins high speed grain elevator handles 6 million bushels of grain in one year amounting to 7,662 truck loads, all of which pass over county roads. With 150 trucks I could move the town of Power lock, stock and barrel excepting the school, one large elevator and the one privy that still exists in the town in one trip.
9. The amount of money that it takes to do the study seems to be another problem. I am sure that all of the T's have to be crossed and all of the I's dotted, or the opponents will find fault with the study.
10. I believe that as a nation we should develop our resources so that we don't have to rely on outside sources which can hold us hostage.



The National Association of Counties (NACo), in partnership with Nationwide Retirement Solutions (NRS) and state associations of counties, provides county employees with a Section 457 Deferred Compensation Program.

Since its inception in 1980, NACo's 457 Deferred Compensation Program has grown to become the largest supplemental retirement income program available to county employees. NACo's Program assets exceed \$6.0 billion.

COAL BED METHANE TETON COUNTY PERSPECTIVES (Page 2 of 3)

Guest Column, Fairfield Sun Times

DRILLING ON THE ROCKY MOUNTAIN FRONT

by Mary Sexton
Teton County Commissioner

For twenty years, public officials like I, along with agency folks, Montana citizens, energy developers, and conservationists, have wrestled with the question of drilling for gas on the Rocky Mountain Front. The Front is a special place, and its future must be carefully considered. But, given the scrutiny this area has received, the time has come to find resolution to this controversial issue.

As pointed out by many proponents of drilling, Teton County received over \$400,000 annually from oil and gas taxes for a couple of years in the 1980's. This was about 18% of gross proceeds (\$2 Million), given the tax structure at that time. This production--the highest ever on the Front--was on the Blackleaf near where current drilling is proposed.

If the same amount of annual gross proceeds (about \$2 Million) came from gas production now, Teton County would receive half of .76% for the first 18 months, or about \$7,600 annually--probably less because the Oil and Gas Board gets a cut. If the production continued strong, the county would receive about \$80,000 annually, 4% of gross proceeds. These estimates are based on information from the Montana Department of Revenue, Oil and Gas Division.

Of all oil and gas income to Teton County, over 2/3 goes to schools. In the first couple of years of production, county government services would get less than \$2,500. In later years, if production continues, about \$27,000 would go to the county.

These figures are based on gross receipts from gas production at \$2 Million annually. The amount could be much higher or nothing at all if recoverable amounts are not tapped.

Officials from Startech, the company proposing to drill, have estimated chances for finding recoverable amounts of gas from their site in the Blackleaf area are 1 out of 4. According to federal estimates of resources available, the average chance for finding recoverable amounts of gas on a well drilled along the Front is about 1 out of 20.

Startech has also stated that the number of jobs created from drilling and production would be five or fewer. During the gas boom of the early 80s, less than 10% of earned income in Teton County came from oil and gas development, according to US census figures.

Wear and tear on the Teton River Road from 140 trips by the semis going to the well site could cost the county from \$10,000 to \$20,000 annually, according to the Teton County Road Foreman. The drilling would last for three years.

The Federal government is spending about \$1.5

Million on the current EIS, and it has already spent \$2 to 3 Million in studies and litigation concerning drilling on the Front.

These facts speak clearly to me that the benefits of drilling do not outweigh the costs - and I haven't addressed the environmental costs at all! Other questions remain: Can the company build a road across private property to get to the site? What might the weed control costs be? How will the county fund the road repairs, weed control, law enforcement needs if no taxes are received due to a dry hole? How much money is the Federal government willing to spend to justify drilling? How much will private property along the Front be devalued due to gas development? How will gas development impact tourism? Is the potential short-term gain worth the long-term effects of development?

I believe that a Federal buy-out of existing leases along the Front, including the Startech lease, is the most prudent, practical avenue to pursue. The chances for a revenue windfall to the county are minimal, and the possibility for high costs and no income is substantial. Plus, with a lease buy-out, we can settle this expensive, contentious issue. I urge other public officials, particularly our congressional delegation and citizens to look at the facts, consider options and push for a timely, practical resolution to the issue of drilling on the Front: buy out the leases!

COAL BED METHANE TETON COUNTY PERSPECTIVES (Page 3 of 3)

Guest Column, Chateau Acantha

EXPLORATION CAN OCCUR WITHOUT HARM

by Dan Krause, Big Piney, Wyoming

I read with interest Teton County Commissioner Mary Sexton's guest column in the *Fairfield Times* on the subject of drilling on the Rocky Mountain Front.

I was born and raised in Teton County and know how special the Rocky Mountain Front is. My family and I enjoy the outdoors as much as anyone and treasure the priceless beauty of the Rocky Mountains. Presently I live in Wyoming in an area that is very similar to Teton County--Sublette County, Wyoming. Our mountain front to the west is the Wyoming Range and to the east instead of plains we have the spectacular Wind River Mountains. We also have a growing population of wolves and grizzly bears with a stable population of mule deer, antelope, elk and moose. We have some of the best fishing anywhere in the New Fork and Green Rivers and numerous pristine lakes.

We have some differences, however. One is a vibrant oil and gas industry that in 2003 provided 91.6% of all property tax revenue to our county. When I pick up a newspaper, I don't read of budgetary difficulties in the schools and county government. We have a new library and a new courthouse under construction, both paid for with cash from the county coffers. Another difference is the greater number of law enforcement personnel. Wyoming will have a budget surplus this year of \$1.2 Billion--yes, Billion.

I work in the oil and gas industry. I can tell you that we know how to drill a well without destroying the environment. It happens every day in Wyoming and in some special places that have a striking resemblance to the Rocky Mountain Front. I believe most people would be impressed to see a producing gas well, to see just how small the impact is. Because there has been a larger presence of oil and gas activity in Wyoming over the past 60-70 years, people are not so suspicious of a drilling well. I can imagine our county commissioners doing some hand-wringing also--if we stopped drilling, that is.

We have the same influx of people moving in from places like California because they want to get away from urban areas, to be in an area with abundant wildlife and beauty. We even have some people who have moved here, unbeknownst that this is one of the hottest spots in the country for oil and gas exploration. After arriving, some of them feel obligated to carry on an environmentalist diatribe but are largely ignored by the local populations. Out of one side of their mouth they will favor clean-burning natural gas and out of the other side they will fight natural gas drilling all day long. Go Figure.

I don't know whether the Rocky Mountain Front has as much resource as Wyoming or Alberta, but it is doubtful Mother Nature was cognizant of state boundaries when natural gas was trapped millions of years ago. I do know there are vast areas along the Front that have never been drilled and the geology is similar to Wyoming and Alberta. The chance of success on any first well is not good; it normally requires a number of wells to really understand the subsurface geology and zero in on productive zones.

Our energy industry is the best in the world. Other countries are eager for our expertise. We have become proficient at habitat mitigation, erosion control, vegetation rehabilitation, etc. We have become sensitive to migration patterns, wintering areas, nesting habits, calving and mating seasons. Those of us in the industry are environmentally conscious and we are proud of the job we do. I credit the environmental movement for helping push the industry into developing new practices, but when it becomes pure obstructionism, it is another matter. Many are working hard to take away grazing and any other resource-based economic activity on public lands.

The local population can to a large extent affect the destiny in a situation like this. If people don't want drilling and the noisy opposition continues, the drilling probably won't happen. But if people are fed up with a vocal few controlling public lands policy and want to make a difference, then write some letters, show up for some meetings and use your vote to elect responsible public officials that can see through the rhetoric.

NOBEL PEACE PRIZE NOMINEE TO TRAIN

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(There will be another training by Dr. Weeks sometime next year.)

DES WORKSHOP FOR COUNTY OFFICIALS

Registration Deadline: Noon, Wednesday, October 20

ORIENTATION TO MONTANA DISASTER AND EMERGENCY SERVICES (DES)

Helena Armed Forces Reserve Center
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October 26-29, 2004

This four-day session covers the Local Government Disaster Information Manual (LGDIM), Weapons of Mass Destruction Awareness (4 hours) and Handling Threats (4 hours). The course provides an overview of the emergency management system in Montana, the people that work in the system and the resources that are available to assist counties. This is "a must do course, especially for county commissioners," writes Jim Shanks, Roosevelt County Commissioner.

For application and full brochure, contact Fred Naeher, DES, at 406-841-3968 or fnaeher@state.mt.us

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